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Ms. Cynthia T. Brown
Director, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

Re: Ex Parte No. 711 – Petition of the National Industrial Transportation League for Rulemaking To Adopt Revised Competitive Switching Rules.

Dear Ms. Brown:

The Alliance of Automobile Manufacturers (Alliance) is a trade association of twelve car and light truck manufacturers including BMW Group, Chrysler Group LLC, Ford Motor Company, General Motors Company, Jaguar Land Rover, Mazda, Mercedes-Benz USA, Mitsubishi Motors, Porsche Cars, Toyota Motors, Volkswagen Group and Volvo Cars. Together, Alliance members account for nearly 80 percent of annual motor vehicle sales in the U.S. On behalf of the Alliance, I am writing in support of a petition filed by the National Industrial Transportation League (NITL) requesting a rulemaking to adopt revised rules on competitive switching.

The NITL Petition was filed with the Surface Transportation Board on July 7, 2011 and follows the Board's general consideration of competition issues in Ex Parte No. 705, Competition in the Railroad Industry. In the Ex Parte No. 705 proceeding, the Board asked for new proposals and solutions to address competitive problems faced by shippers. The League's Petition responds to that request.

The Petition outlines the significant changes that have taken place in the railroad industry since the Interstate Commerce Commission adopted rules for reciprocal switching in 1985. The Petition also indicates that the agency has the power to change those rules. Most importantly, the Petition sets forth a detailed proposal for a new regime of competitive switching, under which competitive switching would be made available to shippers who are served by only a single, Class I rail carrier and who lack effective inter- or intramodal competition.

The Alliance strongly urges the Board to grant the League's Petition and to issue a Notice of Proposed Rulemaking on the proposal detailed by the League. Automakers believe that the League's proposal represents a fair and balanced effort to improve the state of competition in the rail transportation industry, and would provide increased competition for captive shippers without harming carriers. Issuance of a Notice of Proposed Rulemaking on the League's proposal would permit the industry as a whole to comment on the proposal and to guide the Board in its effort to improve the state of competition in the rail industry.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shane Karr', with a long horizontal flourish extending to the right.

Shane Karr
Vice President, Federal Government Affairs

SK/sf